

Jacqueline A. Sargent, M.S., P.E. Director of Rates Telephone: 605.721.2228 Facsimile: 605.721.1338 Email: <u>isargent@bh-corp.com</u>

March 12, 2007

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501

RE: Tariff Modifications to Accommodate Trial Change in Daylight Savings Time

Dear Ms. Van Gerpen:

Black Hills Power Inc. (Black Hills) hereby files its request to modify its tariffs affected by the trial change in Daylight Savings Time mandated by the Energy Policy Act of 2005 (EPACT 2005).

The EPACT 2005 changed the effective date of daylight savings time to occur three weeks early, on Sunday, March 11, instead of the first Sunday in April. Black Hills has approximately 2600 customers affected by the change. The customers affected are those with meters that control on- and off-peak time periods. On Wednesday, March 7, 2007, Black Hills mailed a notice to all affected customers of the change which is attached hereto as Exhibit A.

Each of the meters affected by the change are programmed with pre-EPACT 2005 Daylight Savings Time hours. Black Hills is seeking expedited approval to modify the time periods referenced in the attached tariffs to the current meter programming during the evaluation of the modified Daylight Savings Time. This will avoid potentially duplicative costs from reprogramming the meters for this temporary change and then reprogramming a second time based upon the results of the trial Daylight Savings Time modification.

Attached hereto as Exhibit B are the revised tariff sheets indicating the revisions requested, along with a Report of Tariff Schedule Change.

March 12, 2007 Ms. Patricia Van Gerpen Page 2

Communications with Black Hills regarding this filing should be directed to:

Jacqueline A. Sargent Director of Rates Black Hills Power, Inc. P.O. Box 1400 Rapid City, SD 57709-1400 605-721-2228

with copy to:

Kenna J. Hagan Associate Counsel Black Hills Corporation P.O. Box 1400 Rapid City, SD 57709-1400 605-716-3961

Black Hills respectfully request a waiver of the 30 day notice before the requested change becomes effective.

Black Hills apologizes for the delay in filing this request and asks that this filing be accepted as being in full compliance with Commission filing requirements.

Sincerely,

Docqueline a. Sargent

Exhibits



March 6, 2007

Dear Residential Demand Service Customer -

The *Energy Policy Act of 2005* authorized the federal government to expand Daylight Saving Time (DST) in 2007. DST will begin three weeks earlier, on the second Sunday in March, and will extend an additional week to the first Sunday in November. As a result, Black Hills Power's (BHP) **Residential Demand Service customers** (maximum value option only) **will see their on-peak control period shift 1 hour later** during this 4 week transition to and from traditional DST.

The US Department of Energy will evaluate whether the expanded DST season in 2007 has resulted in additional energy savings in a report to Congress. Congress will then decide whether to make this expanded DST season permanent or revert to the previous DST schedule.

With around 2600 meters that control on and off-peak time periods, it would not be cost effective for BHP to re-program these meters to match the new changes in time. Therefore, BHP's time based meters (including Residential Demand Service maximum value meters) will continue to reflect the traditional Daylight Saving Time during the expanded DST period in 2007 and beyond, should Congress decide to make the expanded DST season permanent.

The **control periods below** show how the **new DST season times** will affect Residential Demand Service customers during the transition period this spring and fall. **Control period times, outside this transition period, will not change.** A calendar showing the on-peak and off-peak control periods for each month in 2007 is enclosed.

TIME-OF-USE METER DST TRANSITION CONTROL PERIODS

From March 11th through March 31st

"On-Peak" control period: 8:00 a.m. – 12 a.m.

From October 28th through October 31st

"On-Peak" control period: 11:00 a.m. – 11:00 p.m.

From November 1st through November 3rd

"On-peak" control period: 8:00 a.m. – 12:00 a.m.

Should you have questions regarding this change, please contact your local BHP office.

Sincerely,

Jim Keck

Energy Services Supervisor



2007 Calendar Residential Demand Service & Time-of-Use C&I Customers On-Peak and Off-Peak Time Periods

Existing peak periods: Winter Season Jan. 1 through March 10, 2007 and Nov. 4 through Dec. 31, 2007

On-Peak: 7 AM - 11 PM

Off-Peak: All Other Hours Plus

Weekends and Holidays

Extended daylight-saving time peak periods March 11 through March 31, 2007 and Nov. 1 through Nov. 3, 2007

On-Peak: 8 AM - Midnight
Off-Peak: All Other Hours Plus

Weekends and Holidays

Existing Peak Periods: Summer Season April 1st through Oct. 27, 2007

On-Peak: 10 AM - 10 PM Weekdays

Off-Peak: All Other Hours Plus

Weekends and Holidays

Extended daylight-saving time peak periods October 28 through October 31, 2007

On-Peak: 11 AM - 11 PM Weekdays

Off-Peak: All Other Hours Plus

Weekends and Holidays

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Report of Tariff Schedule Change

Name of Utility: Black Hills Power, Inc.

Address: P.O. Box 1400

Rapid City, SD 57709

Section No. 1 Class of Service New Sheet No. 17th Revised Sheet No. 2

Table of Contents 17th Revised Sheet No. 2
Residential Demand Service 5th Revised Sheet No. 2
Energy Storage 6th Revised Sheet No. 8

Change: Maximum Value Option and Terms & Conditions

Reason for Change: Amended tariff to comply with new effective Daylight

Savings Time (DST).

Present Rates N/A
Proposed Rates N/A
Approximate Annual Reduction in Revenue N/A
Approximate Annual Increase in Revenue N/A

Points	Estimated Number of Customers Whose Cost of Service will be:							
Affected								
All	Reduced		Increased		Unchanged			
	# of	Amount	# of	Amount	# of	Amount		
	Customers	In \$	Customers	In \$	Customers	In \$		
	N/A	N/A	N/A	N/A	2,600	N/A		

Include Statements of Facts, expert opinions, documents and exhibits supporting the change requested. - See accompanying letter.

Black Hills Power, Inc.

By: <u>Jacqueline A. Sargent</u> Director of Rates



SOUTH DAKOTA ELECTRIC RATE BOOK

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First	Revised Sheet		Small Interruptible General Service						
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Tb:	Davisad Chart	0	Production Service Simultaneous Net Billing						
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Tillia	. 1011000 011001	Š	Production Service Simultaneous Net Billing						

SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE

RATE NO. RD-5 (T)

Page 2 of 3

Section No. 3A

Fifth Revised Sheet No. 2

Replaces Fourth Revised Sheet No. 2

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

BILLING DEMAND

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

MAXIMUM VALUE OPTION

Optional time-of-use metering is available for customers owning demand controllers ready to receive a control signal. When a residential time-of-use meter is used for billing purposes, the Billing Demand is the customer's average kilowatt load during the fifteen minute period of maximum On-Peak use during the month. Maximum off-peak demand will be limited to 3 times the On-Peak demand setting in all new demand controller installations. Company may consider programming customer's existing demand controller to limit off-peak use to 3 times the On-Peak setting, depending on the size of the customer's off-peak load. The On-Peak periods are Monday through Friday, 7:00 a.m. to 11:00 p.m. from November 1st through March 31st and Monday through Friday, 10:00 a.m. to 10:00 p.m. from April 1st through October 31st. The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be given prior notice of such change. In addition to the normal Off-Peak periods, the following holidays are considered Off-Peak: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

(C)

ENERGY COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with:

- 1. The Conditional Energy Cost Adjustment tariff.
- 2. The Transmission Cost Adjustment tariff.
- 3. The Steam Plant Fuel Cost Adjustment tariff.

When the billing period includes a change in the charges of an above referenced Energy Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

Date Filed: March 12, 2007

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on and after March 13, 2007

SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGESection No. 3ARATE NO. ES-5 (T)Sixth Revised Sheet No. 8Page 3 of 5Replaces Fifth Revised Sheet No. 8

ENERGY STORAGE SERVICE

TERMS AND CONDITIONS

- 1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule or the service contract.
- 2. Service will be provided under this rate schedule only to customers who have contracted for service for an initial term of not less than three years. The contract may be terminated at any time on or after the expiration date of the initial term by twelve months written notice.
- 3. The Company will supply and maintain Time-of-Use metering to provide Off-Peak energy to Full Storage systems and to provide On-Peak and Off-Peak energy for Partial Storage and Geothermal systems.
- 4. The Company shall have the right to inspect all wiring and equipment connected to the storage circuit. In the event the Company finds that the customer's wiring has been altered or arranged in any manner so that energy is used in any equipment other than Company approved energy storage facilities, the contract for service under this rate schedule may be terminated.
- 5. The Company may, at its option, install in the energy storage circuit load limiting devices to limit the total load to be served through the energy storage circuit.
- 6. Off-Peak Hours:

Date Filed: March 12, 2007

Summer Months (April 1 – October 31)

10:00 p.m. – 10:00 a.m. Monday through Friday

Winter Months (November 1 – March 31)

11:00 p.m. – 7:00 a.m. Monday through Friday

<u>Both Seasons</u> Saturdays, Sundays, and major holidays are considered Off-Peak.

The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be notified prior to such change.

(C)